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*Raleigh, N.C.* – U.S. Rep. Brad Miller (D-NC) today applauded the efforts of the Federal Housing Finance Agency (FHFA), which oversees mortgage giants Fannie Mae and Freddie Mac, for its expected lawsuits against some of the largest banks in the country for misrepresenting the quality of loans they had assembled and sold as securities to investors and the agencies. Pending lawsuits against Bank of America, JPMorgan Chase, Goldman Sachs, Deutsche Bank and others allege that the banks failed to perform their due diligence to verify borrower income and property values that were often inflated or false.

During the height of the mortgage bubble, Fannie and Freddie invested in these private label mortgage securities which resulted in substantial losses to the enterprises and the taxpayer. Miller has repeatedly called on Edward DeMarco, Acting Director of FHFA, to do everything in his power to recover these funds.

"I don't agree with Mr. DeMarco on every issue, but I have consistently supported FHFA's efforts to pursue legitimate claims for fraud and breach of contract to limit taxpayer losses," **Miller** said. "Not pursuing those claims would be an indirect subsidy for an industry that has gotten too many subsidies already. The American people should expect their government not to give the biggest banks a backdoor bailout."

Congressman Miller joined Congressman Barney Frank and other Democrats from the House Financial Services Committee in a request last August urging that President Obama appoint a permanent director to the FHFA that would continue DeMarco's legacy of pursuing repurchase claims. Miller has scrutinized FHFA's management of Fannie Mae and Freddie Mac's private label securities holdings in correspondence with the agency over the past several months.

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